

9 January 1981

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MEMORANDUM FOR: Executive Committee Members

ODP # 81-057

FROM :

SA/DDCI

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SUBJECT : Minutes of Executive Committee Meeting, 12 December 1980:  
Long-Range Planning, Review and Decisions (U)

1. The Executive Committee met on 12 December 1980 to review and evaluate its first annual long-range planning exercise. Participants included the DCI, DDCI, and Messrs. McMahon (DDO); Lipton (Compt.); Taylor (ADDS&T); Hineman (DD/NFAC); Ware (D/EEO); Briggs (IG); Hart (ADDA); Stein (ADDO); [ ] (D/Compt.); and Silver (GC). (U)

2. In reviewing the Executive Committee Staff's draft summary report and recommendations on long-range planning, Mr. Carlucci suggested that the Committee focus on lessons learned, the process per se, and the resulting proposed guidance for the Comptroller. The Committee concurred with the summary of major problem areas that had been identified in the long-range planning issue papers: a proliferation of consumer demands for intelligence on a growing number of topics; the need for large capital improvements in vital support areas, [ ]

3. Mr. Lipton initiated a discussion on the recommendation that a capital project development budget be devised to accommodate the large capital improvements mentioned above. Mr. Carlucci did not think such a budget would be compatible with the OMB and Congressional budget processes. Mr. Lipton noted that in contrast to the last 10 years of shrinking Agency budgets, he expected a more supportive environment during the next few years for growth, which could accommodate capital improvements. Reviewing the four main requirements for large capital investments -- SAFE, the NPIC upgrade, a new building, and modernization of the communications system -- Mr. Taylor noted that the first two had been accommodated in the CIA Program, and there was no reason not to move forward now on the latter two. Later in the meeting [ ] suggested that what was needed was an improved capital development planning process. Mr. Carlucci asked Mr. Lipton to draft a memorandum from the DDCI to the transition team outlining the four capital investment projects listed above and to lead a study in the next 90 days to provide such a capital planning process. (S)

4. In reviewing the "Implications For Intelligence" section of the report on the planning exercise (pp. 8-9), Mr. Taylor noted the absence of analysis of the problem of coping with the greatly

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increased data that will be available from the new collection systems. [ ] said that this had been an identified planning issue but NFAC had not been able to produce an issue paper on intelligence production. Mr. Carlucci suggested that the final Executive Committee planning report elaborate on the implications of the forecasted trends for intelligence production and that NFAC move ahead in studying the issues. (S)

5. The Committee then discussed how the expanding future needs identified in the planning issue papers would be affected by projected budgets based on two assumptions -- no growth versus high growth. Mr. Lipton thought the budget implications outlined in the draft final report on planning were exaggerated. [ ] explained that they were based on a factual analysis of the ten planning papers and were rough estimates to generally illustrate the upper limits of the problems being addressed. After some discussion, the Committee agreed that a generalized order of magnitude of estimated resources required to meet the major needs outlined in the issue papers was an appropriate and necessary part of the planning project. The Committee agreed that an approximate [ ] increase in the FY-1983 program was necessary to address seriously the long-range issues identified in the planning process. (S)

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Mr. Carlucci then characterized the failure of most of the issue papers to identify activities/programs that could be eliminated to free resources for new initiatives as a shortcoming that should be addressed in the next cycle of the planning process. (S)

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7. The DCI led a discussion regarding the serious problem of attaining an appropriate balance between current intelligence reporting and in-depth research. He also noted the need for initiatives in new analytic techniques. (U)

8. Regarding the proposed FY-83 planning guidance to the Comptroller (Tab B), Mr. Lipton said that he and Mr. Wortman agreed that in the next budget cycle the Agency should focus on obtaining funds for modernizing its communications system. They did not think, however, that a Community study of communications needs would be appropriate at this time. The Committee concurred that the Agency should focus internally on this issue. (C)

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9. Revisiting the concept of a capital development budget, Mr. Carlucci agreed with [ ] suggestion regarding a capital development planning process and requested that such a process be highlighted in the next budget cycle. After discussing recommendations a-c under intelligence coverage (Tab B, p. 2),

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the Committee agreed that the entire final report on the planning exercise should be considered as guidance to the Comptroller for the FY-1983 CIAP. The FY-1983 CIAP should include an analysis of how the ZBB decision packages track with the issues surfaced during this first cycle of the planning process. (U)

10. The pros and cons of a top-down versus bottom-up planning process were discussed. The latter was considered preferable in a number of areas: It does not require a large central staff that would reduce line participation; it permits the line to solve problems as they are discovered and move up only those they can not solve; and it generates productive internal dialogue. The Committee agreed that it should retain responsibility for the Agency-level planning process and that the Executive Committee Staff should continue to provide the required staff support. (U)

11. In evaluating the planning process to date, the Committee identified the following shortcomings: The planning issue papers did not provide a comprehensive view of the Agency; the Executive Committee discussions of the issues were somewhat shallow; and the schedule was too tight. On the positive side, the Committee thought this first round of the planning process made significant progress in Agency-level planning; produced some excellent issue papers; generated good internal dialogue in the line components, both within and among directorates; apprised senior managers of broad Agency-wide problems; and permitted appropriate participation from both line and staff elements. Suggestions for improvements included starting the process earlier and pacing it better; including an evaluation function; and the possibility of tying major decisions made into the goals program. The Committee agreed that this first year's process was valuable and should be continued in 1981 with improvements as discussed. Mr. Carlucci noted that the revised planning issue papers could be circulated to the Committee for review, precluding the need for an additional session. The meeting was adjourned. (AIUO)

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